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Ta Chong Bank Ltd.

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9 UNITED STATES BANKRUPTCY COURT
10 NORTHERN DISTRICT OF CALIFORNIA
11 OAKLAND DIVISION

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13 In re:) Case No. 06-41544 J7
14 CYBERHOME ENTERTAINMENT, INC.)
15 Debtor.)
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Date: October 5, 2006
Time: 3:00 p.m.
Place: 1300 Clay Street
Courtroom 215
Oakland, CA 94612

21 Ta Chong Bank Ltd. ("TCB"), a secured creditor in the
22 above matter, herein files this response to motion for order
23 authorizing trustee to sell property of the estate free and clear
24 of interests.

25 **1. INTRODUCTION.**

26 Cyberhome Entertainment, Inc. ("Debtor") filed a
27 voluntary petition under Chapter 7 of the Bankruptcy Code on
28

1 September 5, 2006. The Debtor was a distributor of home
2 electronics equipment and related products. The Debtor's
3 schedules reflect approximately \$52 million in assets and \$65.5
4 million in liabilities. TCB is a banking entity with its
5 principal place of business located in Taipei, Taiwan. It is
6 listed in the Debtor's Schedule D as a secured creditor with a
7 claim of \$42,319,407, i.e., approximately 64% of the Debtor's
8 total liabilities. The Debtor's assets appear to consist of
9 approximately \$42 million in accounts receivable, \$200,000 in
10 cash, and \$10 million in inventory and office equipment. By the
11 instant motion, the Chapter 7 Trustee proposes to sell the
12 inventory and office equipment by auction.

13 TCB has only recently retained counsel in this matter
14 inasmuch as it is located in Taiwan and needed to retain counsel
15 in the United States. As such, it respectfully requests a short
16 continuance of the hearing on this matter. TCB has not had an
17 adequate opportunity to review and analyze the Debtor's schedules
18 and financial condition to determine whether the proposed auction
19 would provide maximum benefit to the estate. TCB is not in a
20 position to determine whether it will support or oppose the
21 proposed sale but, as the largest secured creditor of the estate,
22 it respectfully requests adequate time to make that
23 determination.

24 **2. CONCLUSION.**

25 For this reason, TCB respectfully requests that the
26 hearing on this matter be continued for 30 days to allow it
27 adequate time to review and analyze the Debtor's schedules and
28 financial condition.

1 In the alternative, if the Trustee's motion is granted,
2 TCB requests that the Court order that the proceeds from the sale
3 be placed in an interest bearing account, subject to disbursement
4 only by subsequent order of the Court or by stipulation of the
5 parties.

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7 Dated: October 2, 2006

CORPORATE STRATEGISTS
ATTORNEYS AT LAW

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Cedric T. Chou
James A. Shalvoy
Attorneys for Creditor
Ta Chong Bank Ltd.

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PROOF OF SERVICE
In re Cyberhome Entertainment, Inc.
Case No. 04-41544 J7

3 I, James A. Shalvoy, declare:

4 1. I am over the age of 18 and not a party to the
5 within action. My business address is 1201 Morningside Drive,
6 Suite 215, Manhattan Beach, California 90266.

7 2. On October 2, 2006, I served documents described
8 as:

9 Response of Ta Chong Bank Ltd. to motion for order
10 authorizing trustee to sell property of the estate free
and clear of interests

11 on the parties to this action by causing same to be transmitted
12 by facsimile to:

13 Stephen T. O'Neill
14 Law Offices of Murray and Murray
15 19400 Stevens Creek Blvd., Suite 200
 Cupertino, CA 95014
 Fax 650-852-9244

16 Aron M. Oliner
17 Duane Morris LLP
18 One Market Plaza
19 Spear Street Tower, Suite 2000
San Francisco, CA 94105
Fax 415-957-3001

United States Trustee
1301 Clay Street, Suite 690N
Oakland, CA 94612
Fax 510-637-3220

23 I declare under penalty of perjury under the laws of
24 the United States of America that the foregoing is true and
25 correct. Executed at Manhattan Beach, California on October 2,
26 2006. (10)

James A. Shalvov